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C O N F I D E N T I A L SECTION 01 OF 03 COLOMBO 000066

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PACOM FOR ADMIRAL WILLARD

E.O. 12958: DECL: 01/14/2018 TAGS: <u>MARR PREL PHUM EAID CE</u>

SUBJECT: SCENESETTER FOR ADMIRAL WILLARD'S VISIT TO SRI

LANKA

REF: A. COLOMBO 0017

_B. COLOMBO 0015

Classified By: Ambassador Robert O. Blake, Jr., for reasons 1.4(b,d).

11. (C) INTRODUCTION: Your visit comes at a defining juncture for Sri Lanka. With the abrogation of the 2002 Cease-Fire Agreement (CFA), we expect to see an escalation in fighting and further deterioration of the human rights situation in the coming months. The Sri Lankan military is a key player on both fronts. The military is a strong supporter of cooperation with the U.S., despite recent legislation to limit U.S. military exports and our decisions to refuse training to some Sri Lankan nominees because of human rights and Leahy considerations. Our top priority is to encourage the government to pursue a negotiated political solution to the conflict, rather than relying on a purely military strategy, and to improve its human rights record. Your visit can help us deliver the message that progress toward a negotiated settlement and human rights will allow us to engage more with the Sri Lankan military. End Summary.

GSL Decides to Terminate the CFA

12. (C) On January 2, the cabinet decided to abrogate the CFA. The government says they withdrew from the agreement because it had been rendered meaningless by constant LTTE violations. Post believes that, while it is true that both parties were guilty of frequent CFA violations, the timing of the government's decision to withdraw had more to do with meeting the demands of the Sinhalese nationalist JVP party. In December 2007, the Government was able to scrape together enough support to pass its proposed budget, because of the last-minute decision of the JVP to abstain. Defeat of the budget would have meant new general elections and a new government. In return for their support, the JVP made several demands, including abrogation of the CFA, a ban on the LTTE (it is not technically a proscribed organization in Sri Lanka), a shrinking of the jumbo-sized cabinet, and a reduction in "interference" by western countries and international organizations in Sri Lankan affairs.

¶3. (C) The Government has convinced itself, and a large portion of the Sinhalese population (who comprise 75 percent of the country), that it can defeat the LTTE militarily. The government is pressing the LTTE on several military fronts - Mannar in the west, Omanthai in the north-central province, by carrying our near-daily aerial bombings, and through stepped up "deep penetration unit" activity. They are likely to open up a new front on the eastern side of the Vanni. Although the GSL currently has the upper hand and has seen some success - especially the "liberation" of eastern areas from LTTE control by mid-2007 - the government continues to underestimate the LTTE's capacity to fight back. As the LTTE comes under increasing pressure, the LTTE is likely to resort to more frequent terrorist attacks on political and economic targets in the South. Only when both sides are persuaded that peace is the only option will Norway and the Co-Chairs have the chance to get them back to the negotiating table. Many months and much more blood will be shed before that happens.

Political Plans Less Clear

14. (C) Senior leaders are less certain of their political strategy. The GSL claims the All Parties Representative Committee (APRC), a parliamentary group tasked with developing a political solution, will announce a new devolution proposal on January 23. However, the government lacks the two-thirds parliamentary majority needed to implement such a proposal and the JVP announced over the

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weekend that it opposes any action by the APRC at this stage. There has been some recent movement toward implementing the 13th Amendment to the constitution, a plan for limited devolution and local representation that was passed over twenty years ago, but never put into action. While we see implementation of the 13th Amendment as a good first step and confidence-building measure, it cannot be an end in itself or a substitute for a negotiated political solution. One laboratory for implementing the 13th Amendment will be the Eastern Province, which government forces succeeded in "clearing" of the LTTE presence in July 2007. The GSL is actively discussing devolution of police and other functions to local authorities and holding local elections in March or April 2008. We have told the President and other leaders that it will be impossible to hold free and fair elections in the east while paramilitiaries continue to threaten the local population. It does not appear that the GSL intends to resume negotiations with the LTTE on the basis of the APRC proposal. Rather it appears the GSL will implement unilaterally what it can of the APRC proposals and proceed with its military plans to significantly weaken or even defeat the LTTE militarily.

Human Rights Abuses Likely to Worsen

15. (C) As the conflict intensifies, human rights abuses are also likely to increase. Despite engagement by the U.S., EU and several other countries, we have seen little, if any, improvement in the human rights situation over the past year. Despite our constant urging, the GSL has done little to rein in abuses by its own security forces or allied paramilitary groups. The daily killings and "disappearances" in Jaffna, which occur both during curfew times and in broad daylight, and frequently in government-declared high security areas, have to occur with at least the tacit consent, if not active involvement, of government forces, a point Basil Rajapaksa, the President's brother and chief political advisor recently acknowledged privately to us. The termination of the CFA and resulting departure of the Sri Lanka Monitoring Mission, the last remaining independent monitoring mechanism, will lead to

an escalation in military activity and an increase in human rights violations.

U.S. Actions to Show Disapproval While Maintaining Limited Engagement

 $\P6$. (C) In response to the escalating violence and growing human rights problems, the U.S. has taken a number of steps to signal our displeasure. In December 2007, the Board of the Millennium Challenge Corporation removed Sri Lanka as a country eligible for MCC lending for 2008. In December 2007, the President signed into law section 699g of the Foreign Operations bill, which prohibits all licensed defense exports to Sri Lanka with the exception of a carve out for air and maritime surveillance equipment (see paragraph 8). In early January, the Department of State publicly expressed concern about the GSL's decision to withdraw from the CFA. We have consistently voiced skepticism about the feasibility of a purely military solution, while expressing our support for a negotiated settlement. We have also encouraged the GSL to allow an expanded presence of the UN Office of the High Commissioner for Human Rights. However, we have not limited ourselves merely to criticizing the GSL's human rights record, but have sought to engage government forces in ways that will help them improve. One example of this was the help we have extended to the military justice sector through the Defense Institute of International Legal Studies, which we hope to follow up on in 2008.

Carve-Out for Maritime and Aerial Surveillance

17. (C) State and DoD were able to negotiate with the U.S. Congress a Section 699 G carve-out for maritime and aerial surveillance, thus allowing us to preserve our most important

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military program to help the GSL stop LTTE arms imports. As a result, we will be able to continue our efforts to boost the Sri Lankan military's maritime surveillance and interdiction capabilities through the 1206 program. In 2007, the Ambassador transferred two Maritime Operations Centers for the Sri Lankan Navy, including X-Band radar systems, AIS transponders, a transportable sensor node, and ten RHIBS. You will see these systems in operation during your visit to Trincomalee. We plan to follow up this year with other systems to enhance airborne maritime surveillance and VBSS training. The 699g carve-out will also allow certain direct commercial sales to continue, such as of Beechcraft for aerial surveillance to replace those destroyed by the Tigers in the attack on Anuradhapura airbase. However, most other military exports will likely be prohibited by 699g, including such items as spare parts for C-130s.

- 18. (C) In sum, your visit marks an important opportunity to have candid conversations with Sri Lanka's senior civilian and military leadership. Despite our current concerns about the likelihood of intensified conflict and human rights problems, it is important to keep communication lines open and maintain our contacts with the Sri Lankan military. The Sri Lankan military has consistently supported engagement with the U.S. and has welcomed all opportunities for joint exercises and training. They want to work with us, and we want to have them as partners in the future, should sustained peace talks resume and human rights improve.
- 19. (U) Admiral Willard: Colonel Oxley, Major Orozco and the rest of our Country Team look forward to ensuring a productive visit for you and thank you for taking the time to visit Sri Lanka.
 BLAKE